

SHANGHAI MUNICIPAL POLICE.

File No. 44-62

S. 1, Special Branch ~~Section~~

REPORT

Date February 3, 1933.

Subject (in full) Lottery conducted by the National Carbon Company

Made by D.S. Sansom

Forwarded by John Robertson Supt.

The National Carbon Company (Yung Bei & Co.), an American concern with offices at No. 3 Canton Road, have started a scheme, effective from February 1 until April 30, whereby numbered coupons issued by the company in exchange for the company's flashlight wrappers will entitle the holders to participate in a draw for a number of prizes. The scheme has been evolved by Mr. V. Desborough, sales manager, and its object is undoubtedly that of stimulating the sale of goods.

According to Mr. Bryan, Municipal Advocate, the fact that no payment is made by the entrant is immaterial, no skill is necessary in order to obtain a prize, and this alone constitutes a lottery under American Law. Mr. Bryan referred the matter to Mr. G. Sellett, Attorney to the U.S. Consul, and the latter confirmed Mr. Bryan's opinion but added that it is a case which he, personally, would not take exception to.

An innovation of this description is not a lottery under Chinese Law, inasmuch as the promoters are not assured of a definite percentage of the proceeds. Primarily, the object of the National Carbon Company is to increase the sale of flashlight batteries among the Chinese, and in all probability the latter named will be the only persons to whom the lottery will appeal. Various Chinese enterprises have recently conducted similar schemes with the same object in view, and if foreign firms were to be denied this privilege it would tend to create unfair competition, a factor which in western countries the law assists in eliminating.

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There does not appear to be any undesirable
circumstance surrounding the scheme in question, and,
in view of the foregoing, I would respectfully suggest
that the Police disregard the matter entirely.

A. Sanson.

D. S.

Officer i/c Special Branch.

Ob. (Crime)

Information.

J. H. Lyons

CP



O. i/c Sp. Br.

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February 1, 1933.

Morning Translation

POLITICAL.

The Russo-Japanese Situation.

After the Japanese occupation of Manchuria, it was thought that Russia would enter into conflict with Japan, but Russia is now assuming a patient attitude. Further changes in the situation depends upon the following points:-

1. To what extent the Japanese will invade China.
2. To what degree Russia will keep patient.
3. To what degree Soviet interests have been encroached upon by Japan.

The American-Soviet Rapprochement.

The alleged American-Soviet Rapprochement is liable to be realized during the present grave situation. The American authorities have shown dissatisfaction with the Japanese military action. America is now assuming an attitude similar to that of Soviet Russia.

Anglo-Japanese Secret Agreement.

It is reported that England concluded a secret agreement with Japan during the truce of the local Sino-Japanese hostilities. Whether this is true or not cannot be ascertained at present.

Dr. Wu will proceed to Nanking to day to attend the conference to be held soon to discuss the drafting of regulations governing the convention of the People's Assembly.

MISCELLANEOUS.

PRIZE TO ASSIST THE SALE OF GOODS.

The Yung Bei & Company (an American concern), No. 3 Canton Road, publishes a large advertisement in the Sin Wan Pao announcing that upon receipt of the upper part of a paper wrapper used by the concern for its flashlight battery, bearing the name and address of the purchaser, it will between February 1 and April 30, give the purchaser a numbered coupon entitling him to participate in winning one of the following prizes:-

- 1st Prize: One diamond finger ring value \$1,000
- 2nd Prize: One diamond finger ring value \$500
- 3rd Prize: One 7-tube radio receiver value \$250
- 4th Prize: One wrist watch value \$100
- 5th Prize: One gold watch value \$50
- and other prizes value \$10 each.

The drawing will take place under the supervision of three prominent merchants at the beginning of May next. The venue of the drawing and the date will be announced later.